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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

STEVEN KLEIN; WILLIAM J.
BROOKSBANK; DONAVON JOHNSON;
KEVIN BURK; JACK WHISTLER and
JOSEPH F. MANNIX, individually, and on
behalf of all others similarly situated,

Plaintiffs,

vs.

FREEDOM STRATEGIC PARTNERS, LLC;
JOVAN VERCEL, JR.; KENNETH M.
WIDNER; FREEDOM WIRELESS, INC.;
DOUGLAS V. FOUGNIES; and LARRY L.
DAY,

Defendants.

CASE NO.: 2:08-cv-01369-PMP-PAL

**ERRATA TO PLAINTIFFS'
PRELIMINARY OPPOSITION TO
MOTION TO DISMISS FOR LACK OF
PERSONAL JURISDICTION
- AND -
MOTION TO CONDUCT
JURISDICTIONAL DISCOVERY**

1 FREEDOM STRATEGIC PARTNERS, LLC,

2 Counter-Claimant,

3 vs.

4 STEVEN KLEIN; WILLIAM J.
5 BROOKSBANK; DONAVON JOHNSON;
6 KEVIN BURK; JACK WHISTLER and
JOSEPH F. MANNIX, individually, and on
behalf of all others similarly situated,

7 Counter-Defendants.
8

9 COME NOW Plaintiffs, by and through its attorneys of record, the law firms of Robert C.
10 Maddox & Associates, Tiffany & Bosco, P.A., and Bonnett Fairbourn Friedman & Balint, and hereby
11 submit this Errata to Plaintiffs' Preliminary Opposition to Motion to Dismiss for Lack of Personal
12 Jurisdiction and Motion to Conduct Jurisdictional Discovery. The Errata consists of the original,
13 executed Declaration of Steven Klein, identified as Exhibit "I" in Plaintiffs' Opposition.

14 DATED this 11th day of November, 2008.

15 **ROBERT C. MADDOX & ASSOCIATES**

16 

17 By:

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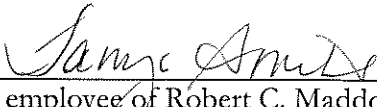
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CERTIFICATE OF SERVICE

I hereby certify on November 11, 2008, that the foregoing **ERRATA TO PLAINTIFFS' PRELIMINARY OPPOSITION TO MOTION TO DISMISS FOR LACK OF PERSONAL JURISDICTION - AND- MOTION TO CONDUCT JURISDICTIONAL DISCOVERY** was served via the United States District Court CM/ECF system on all parties or persons requesting notice:


An employee of Robert C. Maddox & Associates

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28 UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

19 STEVEN KLEIN, WILLIAM J. BROOKSBANK,
20 DONAVON JOHNSON, KEVIN BURK, JACK
21 WHISTLER, and JOSEPH F. MANNIX,
22 individually and on behalf of all others similarly
23 situated,

24 Plaintiffs,

25 v.

26 FREEDOM STRATEGIC PARTNERS, LLC,
27 JOVAN VERCEL, JR., KENNETH M. WIDNER,
28 FREEDOM WIRELESS, INC., DOUGLAS V.
FOUGNIES, and LARRY L. DAY,

Defendants.

And Counterclaim.

Case No. 2:08-cv-1369

DECLARATION OF STEVEN
KLEIN

1 1. My name is Steven Klein. I am over twenty-one (21) years of age. The facts set
2 forth below are based on my own personal knowledge, except where otherwise indicated.

3 2. I reside in Blue Diamond, Nevada. I purchased units in four Royalty Participation
4 Partnerships (the "Partnerships") on behalf of The Steven & Mary Klein Trust (the "Trust"). The
5 Trust continues to own those Partnership Units. Defendant Freedom Strategic Partners LLC
6 ("FSP") is the managing partner of the Partnerships. Jovan Vercel ("Vercel") and Kenneth
7 Widner ("Widner") are the managers of FSP.

8 3. In 1999, Vercel called me at my residence in Nevada and solicited my investment
9 in the Partnerships. He was aware that I had invested and lost funds in a prior investment in a
10 business promoting pre-paid cellular services known as "Pre Paid – One Stop." Vercel
11 represented that an investment in the Partnerships would afford me the opportunity to recover my
12 lost investment proceeds and earn a substantial additional profit. He called me on several
13 occasions at my residence in Nevada to convince me to move forward with an investment in the
14 Partnerships.

15 4. After speaking with me, Vercel sent me a letter dated September 8, 1999, to
16 follow up on our conversation. This letter was sent to my Post Office address in Blue Diamond,
17 Nevada. In that letter, Vercel noted that "[i]t was a pleasure to have spoken to you
18 regarding...your further participation in this exciting project." This refers to the initial phone
19 call that he placed to me in Nevada. Vercel went on to say that "[t]hough I greatly desire to
20 speak face to face with you....that is not financially possible because there are almost
21 5,000...investors like yourself." Based on this letter, and other information, I believe that Vercel
22 was calling and mailing solicitation letters to the prior investors in "Pre Paid – One Stop,"
23 including many who reside in the State of Nevada. A copy of the Letter is attached as Exhibit
24 "1."

25 5. After I agreed to consider investing in the Partnerships, Vercel sent me various
26 materials, including a Royalty Participation Agreement and the Freedom Strategic Partners,
27 L.L.C General Business Plan. These documents were mailed to me at my Post Office address in
28 Blue Diamond, Nevada. A copy of the cover letter and attached documents is attached as

1 Exhibits "1", "2" and "3". While in Nevada, I signed the Royalty Participation Agreement for
 2 each of the four Partnerships in which the Trust invested and mailed the agreements back to FSP,
 3 in care of Vercel. I also sent to FSP, in care of Vercel, four checks totaling \$9,000 from 1999 to
 4 2004 drawn on my account located in Nevada. I transmitted these funds, through the U.S. Mail,
 5 from Nevada.

6 6. After my initial investment, I received additional solicitations from Vercel and
 7 Widner extolling the progress being made by FWI and the Partnerships and urging me to invest
 8 additional amounts. These aggressive solicitations, signed by Vercel or by Vercel and Widner,
 9 were cast in very positive promising terms. All of these solicitations were mailed to me at my
 10 Nevada address. They said things like:

- 11 • "You are now in a position to benefit from what may perhaps be one of the largest
 12 patent infringement lawsuits in the history of our country...It is time to step up to
 13 the plate and participate in this as one of the greatest investment opportunities that
 14 you have ever seen." A copy of the Letter dated 4/6/00 is attached as Exhibit "4."
- 15 • "[T]his truly is one of the greatest opportunities of recent time...The clock is now
 16 ticking...If you don't get excited about your participation in this great
 17 opportunity...then you better check your pulse, and if you still have one please
 18 call me because you are missing something." A copy of the Letter dated 5/10/00
 19 is attached as Exhibit "5."
- 20 • "It is time to start viewing this as the tremendous opportunity that it is... **You can**
 21 **not read all this without sensing that you have made it to the World Series,**
 22 **and its time to buy the champagne...**Now you have an opportunity...to
 23 potentially collect on a portfolio of patents...conservatively valued at hundreds of
 24 millions of dollars..." A copy of the Letter dated 6/15/01 is attached as Exhibit
 25 "6." (Emphasis original).

26 7. In the following years, from time to time, I received correspondence and other
 27 communications concerning the Partnerships that Vercel and Widner signed and had mailed to
 28 me at my home address in Nevada. Examples of these written communications are attached

1 hereto collectively as Exhibit "7." These communications were invariably signed by both Vercel
2 and Widner and mailed to me at my Post Office address in Nevada. During the time from
3 February 2000 to July 2007, no less than 32 such communications signed by Vercel and Widner
4 were transmitted to me, through the U.S. Mail, at my Post Office address in Diamond, Nevada.

5 8. In certain of these communications, mailed to me in Nevada, Vercel and Widner
6 solicited me to contribute additional capital to the Partnerships to fund the ongoing patent
7 infringement litigation. Examples of these solicitation letters are attached collectively as Exhibit
8 "8" (See Letter dated 5/7/03 ("Freedom Wireless is now in the most financially challenging
9 phase of the lawsuit...With over a \$1 billion at stake in this we need to step up to the
10 plate...We expect to fill the rest of the partnerships with capital for them. **WE NEED YOUR**
11 **HELP!**") (emphasis original); Letter dated 8/20/03 ("This opportunity it nearly over. Our last
12 letter addressed the need for additional capital to finish the project....Those on the sidelines need
13 to get in the game if they can and help, therefore taking advantage of one of the greatest
14 opportunities they may ever see. We smell victory..."); and Letter dated 11/20/03 ("It is
15 imperative to complete the partnership funding to help Freedom Wireless finish their
16 case....This will be the LAST opportunity for you to participate with capital.") (emphasis
17 original).

18 9. In November 2007, Vercel and Widner arranged for a special meeting of the
19 partners to take place in Las Vegas, Nevada, the location of the FSI's offices. I made
20 arrangements to travel to Las Vegas, Nevada to attend the pivotal shareholders meeting.
21 Approximately 50 investors attended the meeting. In addition, both Vercel and Widner were in
22 attendance at the Nevada meeting. The meeting was conducted by Vercel and Widner, and
23 Robert Boland, an attorney for Freedom Strategic. Vercel, Widner and attorney Boland
24 recommended a vote in favor of the proposed amendments without disclosing material
25 information necessary for the investors to evaluate the proposed amendments to the Partnership
26 Agreements, including: (i) the terms, amounts, and dates of receipt by FWI of any litigation
27 settlements; (ii) the parties, terms and amounts of licensing agreements entered into by FWI or
28 the amount of associated royalties; (iii) information sufficient to allow partners to compare the

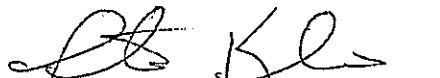
1 expected income under the existing arrangement with the expected income under the reduced
2 participation percentages; or (iv) the basis for calculation of the proposed initial royalty
3 payments. Vercel stated that FSI already had collected enough affirmative votes to adopt the
4 proposed amendments and that the meeting was essentially a formality to count any
5 "abstentions" (the ballots did not provide any "No" vote option).

6 10. After the special meeting of partners was held in Las Vegas, Vercel and Widner
7 mailed notices to my Nevada address, directed to all Partners, describing the resolutions
8 purportedly approved at the special meeting for each of the four Royalty Participation
9 Partnerships I purchased interest in. The notices were each sent out over signature blocks for
10 both Vercel and Widner and indicate that they originated in "Las Vegas, Nevada – December 6,
11 2007." Copies of the notices are attached collectively as Exhibit "9."

12 11. In March of 2008, I received checks representing royalty payment and interest
13 distributions from the Partnerships. These checks were signed by Vercel and mailed to me at my
14 Post Office address in Nevada. These checks arrived after I called Vercel, from Nevada, to
15 inquire about the status of the distribution. In response to that inquiry, I received a letter at my
16 Nevada Post Office address signed by both Vercel and Widner. A copy of that Letter dated
17 3/24/08 is attached as Exhibit "10."

18 12. I declare under penalty of perjury that the foregoing is true and correct.

19
20 Executed on this 8th day, November 2008.

21
22 
23 Steven Klein